

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration 500 West Temple Street, Room 713, Los Angeles, California 90012 (213) 974-1101 http://ceo.lacounty.gov

July 18, 2011

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Supervisor Gloria Molina

William T Fujioka Chief Executive Officer

STATUS REPORT ON THE CHILD CARE POLICY FRAMEWORK

On March 29, 2011, your Board adopted the updated Child Care Policy Framework and a series of related recommendations. As a part of that action, the Office of Child Care within the Service Integration Branch of the Chief Executive Office (CEO) was directed to provide status reports in July and January of each year through 2013. This is the first status report covering the period of March 29, 2011 through June 30, 2011.

Report on the Illinois Approach to Strengthening Families

The Office of Child Care was directed to analyze the Strengthening Families implementation plan developed by the Illinois Department of Children and Family Services and to report back to your Board with recommendations on how the child welfare and child development sectors in Los Angeles County could be more effectively integrated. That report was forwarded to your Board on July 12, 2011, and included five recommendations for your consideration.

Add County Department Representatives to the Policy Roundtable for Child Care

On May 31, 2011, your Board approved County Counsel's revision to the Policy Roundtable for Child Care's ordinance, adding representatives from the Departments of Mental Health, Public Health and Probation as members to the Roundtable. ordinance had a second reading on June 7, 2011, and became effective on July 7, 2011.

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The new department representatives will be participating in the Roundtable's annual retreat scheduled for July 13, 2011. Taking advantage of this once a year, full day meeting, Roundtable members will be assessing strategies for integrating the Strengthening Families approach into their work.

Policy Framework Goal 1 - Expansion of the Steps to Excellence Project

In November 2010, the First 5 LA Commission approved funding for the Early Childhood Workforce Consortium. This Consortium is an innovative mix of seven projects addressing community-based training related to child development, two- and four-year college degree programs in child development, college tuition assistance and the Steps to Excellence Project (STEP). Consortium participants were instructed to plan for a February 2011 start-up. Unfortunately, as a result of the threat to reserve funds of local First 5 Commissions, the Early Childhood Workforce Consortium has been put on hold. When this funding becomes available, we will proceed with the expansion of STEP.

<u>Policy Framework Goal 2 - Efforts to Strengthen the Child Development Infrastructure</u>

The Office of Child Care, in conjunction with staff of CEO Intergovernmental Affairs and a number of local child development and advocacy organizations, monitored the various budget proposals, developed impact statements related to those proposals and recommended positions on budget proposals and legislation. The following is a very brief synopsis of final budget actions impacting subsidized child development services:

- Funding was eliminated for Centralized Eligibility List projects throughout the State.
- Funding for the California Department of Education subsidized child development services was reduced by 11 percent across the board.
- Maximum earnings for families seeking subsidized child care services were reduced from 75 percent of the State Median Income (SMI) to 70 percent of SMI.
- Reimbursement rates for license exempt providers were reduced from 80 percent of the rate paid to licensed family child care providers to 60 percent.

While these reductions are significant, other more draconian cuts were avoided. This enacted budget is however, predicated upon the State's receipt of an additional \$4 billion in revenue. Should that revenue not materialize, child development programs statewide will face an additional \$23 million in across-the-board cuts.

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Based on recent history, the adoption of an on-time State budget is still more of an anomaly than an expectation. Therefore, efforts continue to establish a local "bridge fund" for child development programs in the event of a delay in State funding. We hope to be able to identify actual funders for a bridge fund pilot project in our next report to your Board.

We are also pleased to report that on June 23, 2011, the Los Angeles Unified School District Board unanimously approved a \$10.4 million allocation to support the construction of a new early education center in the Bell/Cudahy area. As planned, this state-of-the-art early education center will be licensed to serve 175 children from birth to five years of age in seven classrooms and will include space for family engagement and professional development activities. The children will also have access to an exciting and innovative playground. Currently, construction is targeted to begin in 2013. This facility could become the first Educare site in Los Angeles County – mobilizing a variety of community and philanthropic resources to provide comprehensive and high quality services to low-income families.

Conclusion

State budget issues have consumed the attention of child development operators, County departments, and community stakeholders during the past quarter. Now that there is some clarity regarding funding levels, we are confident that attention will return to programmatic issues. The January 2012 status report will address progress on Goals 3-5. Should your staff have questions regarding this report, they can contact Kathy House, Assistant Chief Executive Officer, at (213) 974-4530.

WTF:KH:LB KMS

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